

# First Steps in C. S. A.

## 8. WAGES

Because the vast majority of families, all over the world depend, often directly, on wages for their welfare, we shall now discuss wages.

### Section I. — The Meaning of Words.

**Wages** :—“Payments made for labour under contract.” Wages or incomes represent in money the value of work done.

**Nominal Wages** :—“the actual money received for labour given”.

**Real Wages** :—“the actual amount of goods and services which a worker can buy with his money-wages”.

The ordinary worker is more interested in real wages than in nominal wages or the money-wage he receives, because not unfrequently, even a high money-wage does not permit the worker to buy all his necessities when prices are high. Again, if one worker is given free board and lodging, and another has to pay for this then the nominal wage of the latter must be higher than that of the former, so that the real income of the two workers may be on the same level.

**Wage-earner** :—“a worker who having no property lives entirely off his wages”.

**Just Wage** :—“a wage which would suffice for the reasonably decent maintenance of a worker, his wife and dependent children”.

In this definition a just wage is the same as a Family Living wage, because we hold that ‘every normal adult workingman (married or not) is entitled in strict justice to receive at least for his labour in normal circumstances an absolute family living wages.’

## **Section II. — The Right to a Just Wage.**

(a) This right is but a consequence of the right to life. In our last lesson we noted, that in the Catholic view, God has given each person the right to life. Now the claims of this right cannot be satisfied unless man obtains all he needs (e.g. food, clothing, shelter, etc.) to live a decent life. The greater majority of people obtain these necessities through their wages which they exchange for the labour. Hence labour is necessary to the vast majority of people in the great human family.

In *Rerum Novarum* Pope Leo XIII draws our attention to this important fact, viz., that labour is necessary. The other characteristic of man's labour which the Holy Father would have us keep in mind, is that it is personal, "inasmuch as the force which acts is bound up with the personality and is the exclusive property of him who acts, and further was given to him for his advantage" (para, 34). Now, because labour is "personal" the employment of labour as a factor of production may not be the same as other non-human factors of production, e.g. wood, iron, etc. Man's labour is the human factor of production, and therefore, must be estimated and treated very differently from non-human factors of production.

### **(b) The Just Living Wage is a Just Family Living Wage.**

The wage-earner, like every other person has the right to marry and found a family, and the claims of this right can only be satisfied when the wage earner receives a salary sufficient for the reasonably decent maintenance of his wife and dependent children. It follows, therefore, that the wage, or price of labour, in actual circumstances, whether the wage-earner be married or not, must be such that it permits him to support himself, his wife and children in frugal comfort.

If there is one point upon which Catholic social doctrine insists upon more than any other, it is the welfare of the family. As one of the smallest groups within the great human family, the family is older than the State. It has its own rights and duties, such as the proper education of the children which the State in justice may not take over. By insisting on a Family Living Wage, Holy Church protects the family from all those evils which follow when, the

mother of the family has to work to supplement the insufficient wages of the father ; when young children whose physical and moral powers are not yet mature have to work away from home. In fact, the rightful place of the mother is with her children and not in the factory or office. This is essential for the Christian upbringing of her little ones and the performance of her sacred duties of motherhood. In our own times, due to the defects of our economic régime the wage of the head of the family are sometimes supplemented to make it adequate for family needs. Such are family allowances.

(c) **Family Allowances** :—“extra money allowances granted to married workers to make up for insufficient wages”.

There are two main types of family allowances :—

(i) **Voluntary** :—i.e. employers freely group themselves according to industries or the locality to establish a common fund from which they draw allowances for their married workers.

(ii) **State operated obligatory allowances** —i.e. the State undertakes to raise funds from ordinary revenue and administer allowances to married workers.

Methods of payments vary in different countries ; the most common are :—an uniform rate in respect of all children.

—a rate which increases progressively with the number of children — the allowances come into force only after the birth of the 2nd or 3rd child.

—the allowance is granted only in respect of dependent children, in which case the age limit is fixed.

While the Catholic social worker, following the lead of Pope Pius XI, welcomes family allowances which tend to reduce the burden of workers with large families, he must remember that such allowances are mere make-shifts imposed upon society on account of an imperfect and defective economic organisation. In a healthy, normal economic régime such allowances are unwanted for the ordinary family living wage suffices for the need of the worker and his family. “Rightly understood and adjusted, a family wage makes allowances superfluous, though assistance may be required when

family expenses exceed the usual level, which is true of usually large families over a period of several years, and may happen in case of illness, accidents, etc. " (Von Nell-Breuning, *Reorganisation of Social Economy*, p. 182),

C. C. C.

### **Reading.**

On man's right to living wage : *Rerum Novarum*, paras : 34-36. *Quadragesimo Anno* : Paras : 53-90. *Divini Redemptoris* : Para 51.

On the home, family and education : *Pius XI. Christian Education of Youth*. Paras : 84-98 ; 35-46 ; 83-89.

### **Exercises and Field Work.**

1. Explain the difference between real wages and nominal wages.
2. Explain how the right to a just wage naturally follows from man's right to life.
3. Pick out the passages in *Rerum Novarum* and *Quadragesimo Anno*, which treat of the family.
4. What do you understand by a Family Living Wage ?
5. Find out the average monthly wages of :—
  - (a) Any one class of workers (e.g. carpenters) in any factory in your town or district.
  - (b) The domestic servants in your neighbourhood, taking at least, twenty such workers.

Do you consider their salaries as being just family wages ?

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